

Adult Mental Retardation Services
FY '04
2% Revenue Reduction

Purpose: As stated in the letter sent to agencies and service providers on January 22, 2004, Mental Retardation Services must reduce its 2004 MaineCare expenditures in its Waiver and Day Habilitation programs by 2%. The specific target numbers for each Provider were included in these letters. These instructions and the accompanying forms outline the expected methodology for implementation and presentation of the corresponding data.

Guidance and Considerations

- BDS' goal is a reduction of 2004 revenues in the amount of 2% of paid claims for FY '03. There is not the capacity or time to negotiate each and every person-specific change that has occurred since that time. Changes of a significant nature may be offered for consideration. This should not be confused with a 2% rate reduction; it works out to be greater than 2% because of the limited time remaining in the fiscal year.
- The conditions of this reduction are 1) the wages of Direct Support Professionals cannot be reduced and 2) the amount of service/support to clients may not be reduced unless there is a planning team recommendation to support the reduction.
- There is an opportunity within this exercise to balance out the revenues between or among specific consumers or programs that have disproportionate shares of the funding; e.g. rates may be adjusted so that funds in programs that typically show surpluses are shifted to those with deficits. **This must still be accomplished within an overall reduction of your target amount.**

Instructions

In addition to these instructions, there is one Excel Workbook and one Word document for your use as follows:

Excel Workbook: This Workbook has two tabs, one for a summary of rates and one to summarize the removal of room and board.

Rate Summary: Insert Agency/Provider name and your Target Reduction Amount as per January 22 letter at the top of the sheet. Following are the specific requirements listed by column:

- A: Enter the names of consumers served
- B: MaineCare Billing Procedure code (W114, W125, FSD, etc.)
- C: Include the number of billing units you have anticipated billing (current approved figures) from February 15-June 30, 2004

- D: Currently approved rate
- E: *Calculated field*
- F: Units should be the same as column C unless supported by a PCP recommendation for change
- G: Revised rate for February 15-June 30, 2004
- H: *Calculated field*
- I: *Calculated field*

The calculated total at the bottom of column I should equal the Target Reduction Amount at the top of the sheet.

Room and Board Removal Worksheet: This worksheet is only for the limited number of Agencies/Providers who must also remove some room and board related costs from their MaineCare budgets. If your January 22 letter did not mention the removal of room and board costs you need not complete this sheet.

- Note each affected home or residence by name and show the amount of room and board related costs that have been removed.
- The total should equal the amount shown in your January 22 letter.

Word Document: This is the Waiver Checklist. This must be completed for each consumer to reflect the revised rate of reimbursement for February 15-June 30, 2004. The rate shown on each Checklist should be the same as in column G on Worksheet #1.

Whether the Checklists are completed by the Provider or the Regional Office staff should be determined based on the usual practice.

As indicated in the original letter of January 22, the Regional Resource Coordinators are the primary BDS contacts for these rate changes. The timeframes are very short and in order to accomplish the changes without having to deal with the problems inherent in retroactive adjustments, you are encouraged to act as quickly as possible. Please try to make contact with you Resource Coordinator as soon as possible to facilitate as smooth a flow of information as you can. Because the effective date of the changes must be February 15, the week of February 9 will be the critical week. The earlier in that week the submission of material to the Regional Office, the better position you will be in to allow for continuity in billing.

Thanks you very much for your understanding and assistance.